

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 01-03-26**

Date Published: March 22, 2001

For Work Week Commencing: March 26, 2001

Business Meeting: March 26, 2001, 10:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.state.mt.us>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Dennis Crawford at (406) 444-6182. They may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

Work Sessions All items identified below are for Commission discussion or action on the day designated (Dennis).

1. D2000.8.113 – MPC – General rate increase – Discussion on proposed adjustments – Storage Gas Sales, Liability Insurance, Customer Education (3/27/01)
2. D2000.8.113 – MPC – MPC electric and gas case – Discussion, direction, and action on motion to strike (3/27/01)
3. D2000.2.21 – Qwest Communications – Tariff Filing Introducing Competitive Response – To Discuss and Act on Qwest's Request (3/27/01)
4. D2001.1.10 – Qwest – Kern v. Qwest – Discussion, direct, or action on complaint (3/27/01)
5. D2000.9.163 – Mid-Rivers Telephone Coop – Temporary waiver of permanent number portability –To update and close docket (3/27/01)

6. Proposed addition to anti-slamming rules – to discuss rulemaking proposal (3/27/01)
7. PSC electronic documents – Further discussion of PSC electronic documents (3/27/01)
8. D97.7.90 – MPC – Discussion and possible action regarding the meeting Saturday, March 24, 2001 that was held at the Capitol (3/27/01)

Legislative Meeting Daily as needed

Weekly Scheduling Meeting – Will be held at 9:45 a.m. on the day of the Business Meeting

Action Items All items identified below are for action at the Commission business meeting.

1. MONTANA POWER COMPANY DOCKET NO. D97.11.219 (Eric)

On March 13, 2001, MPC filed its fourth semi-annual true-up Advice Letter pursuant to Order No. 6035a. This filing is made by MPC in its role as servicer of the Natural Gas Transition Bonds. If the previous six-month period variance between the scheduled debt service and the actual amounts available to satisfy the scheduled debt service for such period exceeds 2 percent MPC is required to apply for adjustment to the Fixed Transition Amount (FTA) charges. The variance for the period was an overcollection of 8.65 percent or \$415,204.

Also on March 13, 2001, MPC filed annual adjustments to the CTC-GP-Credit and the CTC-RA-Credit. These two credit rate schedules pertain to certain rate base credits associated with gas production and regulatory asset transition costs. These rate adjustments were filed with the semi-annual true-up in order to provide a single rate adjustment for customers. MPC is returning \$1,000,000 it received as servicer of the MPC Gas Funding Trust. Since MPC will receive this amount annually from the Trust over the life of the bonds, this fee will remain in the CTC-RA-Credit and the CTC-GP-Credit. Interest of \$16,477 is eliminated since it has been fully refunded. Proceeds from the sale of three small properties are now eliminated since they have been fully refunded. The CTC-GP-Credit rates were adjusted on February 1, 2001, to reflect the sharing of \$32 million of proceeds over a one-year period. These two rate schedules have been adjusted to reflect the forecast market for the period that these rates will be in effect, April 1, 2001 to March 31, 2002.

Staff recommends that the decrease in the FTA charges as well as the decreases in the CTC-GP-Credit and CTC-RA-Credit be approved effective April 1, 2001.

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.state.mt.us/PublicComment/PublicComment.htm>. Comments should reference the docket number of the matter.

1. Montana-Dakota Utilities Co. D2001.3.29 (Dave B)

On March 13, 2001, MDU filed a revision to its Balanced Billing Program to include qualified nonresidential gas and electric customers. The proposed revision is to extend eligibility for enrollment in the program to include those accounts that do not have a demand metered service. Typically this would mean extending the program to include such accounts as churches, schools, motels, small retail stores, restaurants, etc. The program is designed as a customer convenience and does not affect any tariff currently on file, but relates solely to the method of payment. Currently, 12,057 residential customers are participating in the Balanced Billing Program.

2. Montana Power Company Docket N2001.1.2 (Will)

Pursuant to the Commission's Order No. 5017, MPC has filed its annual avoided cost compliance filing, updating rates payable to qualifying facilities pursuant to tariff schedules QFLT-1 and STPP-1.

Information Items All items identified below are for information only.

Tentative Action Items for Agenda 01-04-02

New Filings Received in Past Week

D2001.3.30 – PSC – Inquiry Re: Demand Exchange Program

D2001.3.31 – Qwest Corporation – Qwest Corp & Essen Communications resale agreement application